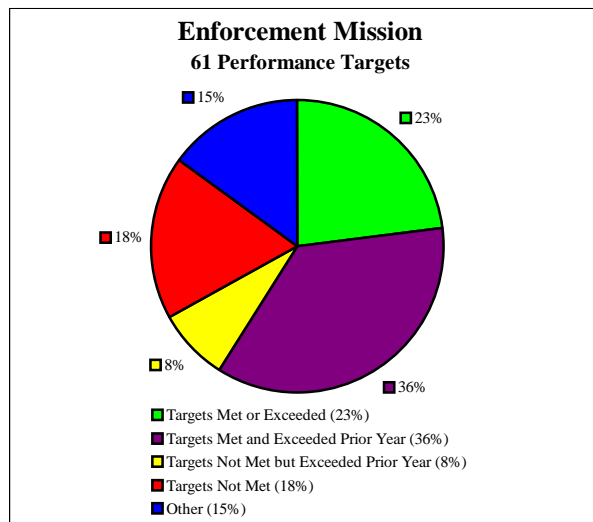


LAW ENFORCEMENT MISSION AREA SUMMARY

MISSION: Protect Our Financial Systems and Our Nation's Leaders, and Foster a Safe and Drug-Free America

Treasury's effort in the law enforcement area represents a significant amount of the total Federal Government's law enforcement activities. The Department helps foster a safer Nation by protecting our borders; preventing drug smuggling; protecting the President, Vice President, and visiting foreign dignitaries; combating violent crime; suppressing counterfeiting; fighting money laundering; preventing financial crimes against the currency of the United States; and training the vast majority of Federal law enforcement personnel.

The mission is supported by the United States Customs Service (USCS) Enforcement Programs, the Bureau of Alcohol, Tobacco, and Firearms (ATF), the U.S. Secret Service (USSS), Financial Crimes Enforcement Network (FinCEN), the Criminal Investigation Division of the Internal Revenue Service (IRS), the Federal Law Enforcement Training Center (FLETC), and the Treasury Forfeiture Fund (TFF).



FY 1999 Highlights:

Goal: Combat Financial Crimes and Money Laundering

- In September 1999, the Departments of Treasury and Justice released the Administration's National Money Laundering Strategy for 1999, calling for a broad-based international and domestic program to combat money laundering. The Strategy calls for a coordinated attack on high-risk money laundering zones; new rules requiring that money transmitters file suspicious activity reports; new legislation to bolster our domestic and international enforcement powers; and intensified pressure on offshore and other lax jurisdictions to adopt strict anti-money laundering controls.
- Treasury published the final regulation that requires registration of the Money Services Business (MSB) industry. The regulation is the latest effort to strengthen anti-money laundering controls. MSBs are financial institutions that provide distinct, but often-complementary services such as money transmission, check cashing, currency exchange, and the issuance, sale and redemption of money orders and traveler's checks.
- During FY 1999, Customs seized monetary instruments valued at \$329.7 million. This was \$47.7 million above their planned target. Their success was due to the establishment of full-time Outbound Teams, increased efforts to conduct outbound enforcement examinations, and the implementation of formalized outbound currency interdiction training.

Goal: Reduce the Trafficking, Smuggling, and Use of Illicit Drugs

- The total weight of narcotics seized was 1,423,299 pounds, up 277,804 pounds, or 23 percent above FY 1998 levels. There was a 27.4 percent increase in the amount of marijuana seized, due largely to enhanced Southwest border and maritime interdiction efforts.

Department of the Treasury - FY 1999 Program Performance Report

- During FY 1999 Treasury helped the Organized Crime Drug Enforcement Task Force (OCDETF)/Interagency Crime and Drug Enforcement (ICDE) function in 1,484 nationally coordinated investigations of major drug trafficking organizations. Specifically, 9,866 indictments and 6,194 convictions were obtained in OCDETF/ICDE cases involving targeted drug trafficking organizations.
- Customs increased emphasis on the use of Title III and undercover investigations as well as recruiting confidential informants and cooperating defendants. This assisted in the infiltration of drug smuggling organizations and improving coordinated investigations during FY 1999.

Goal: Fight Violent Crime

- Treasury continued to expand its violent crime prevention efforts by hiring 162 new agents to staff the *27 Youth Crime Gun Interdiction Initiative* cities. In addition, the Integrated Ballistics Identification System was installed in 34 cities to meet the demands of the law enforcement community.
- In order to keep up with demand for crime gun tracing, the National Tracing Center is being relocated to the former IRS computer center in Martinsburg, WV, greatly expanding the capacity of the Center.
- During FY 1999, Treasury played a significant role in the disruption of international trafficking activities, especially in the areas of export controlled materials that could be used by terrorists or terrorist nations.

Goal: Protect Our Nation's Leaders and Visiting World Leaders

- Treasury measures success in its protective mission by determining if persons authorized protection arrive and depart safely to and from their destinations. Despite the ever-changing threats, 100 percent of all protectees arrived and departed safely to and from their destinations.
- During FY 1999, the Secret Service successfully applied its resources and expertise to design, plan, and implement security for the April 1999 North Atlantic Treaty Organization 50th Summit in Washington, DC, and the September 1999 54th annual United Nations General Assembly in New York City.

Goal: Provide High Quality Training for Law Enforcement Personnel

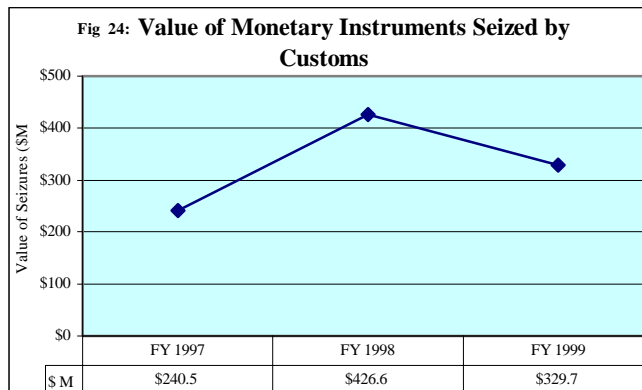
- Treasury conducted 100 percent of all the law enforcement basic training requests for the fiscal year, serving the training needs of 73 Federal law enforcement agencies.

Treasury Objective: Strengthen the Capability to Fight Money Laundering

Key Trends:

Money laundering is the act of disguising the illicit nature of illegal proceeds by introducing them into legitimate commerce and finance. The common image of money laundering involves the washing of drug money off the streets of our cities through transactions that turn it into bank deposits and other apparently lawful assets.

Today, money laundering can just as easily involve the large-scale movement of criminal funds into or through the United States or foreign financial institutions at the touch of a computer button. Money can be laundered through a wide variety of enterprises, from physical movement of bulk cash, and thereby to banks, money transmitters, stock brokerage houses, and casinos.



In the U.S., an estimated \$100 billion to \$300 billion is laundered annually, with \$40 billion to \$80 billion of this drug profits. Internationally, money laundering likely exceeds \$500 billion. Only a small fraction of these proceeds are confiscated. For example, the value of all forms of monetary instruments (e.g., currency, bank accounts, traveler's checks, negotiable bonds, etc.) seized by, or in cooperation with, Customs officers for violations related to drug and other enforcement activities during FY 1999 was almost \$330 million (see Fig. 24), or between 0.1 % and 0.3 % of the estimated total amount laundered.

Treasury Programs:

Several Treasury bureaus cooperate in the fight against money laundering, including:

- **The Financial Crimes Enforcement Network (FinCEN)** supports law enforcement's anti-money laundering efforts by: preventing money laundering through regulatory programs and outreach efforts to financial industry; providing focused and sophisticated analysis of the elements of major case law enforcement support, including trends and patterns of money laundering; and enlisting valuable international support by promoting anti-money laundering measures worldwide.
- **The U.S. Customs Service (Customs)** works to identify, disrupt, and dismantle money laundering systems and organizations. Specifically, Customs works with the business community to develop intelligence and vital investigative leads and employs undercover investigations to identify illegal activity that is intermingled with actual or apparently legal activity. Customs uses asset removal teams to exact the highest possible cost on illegal enterprises.
- The **Internal Revenue Service's** criminal investigation function is responsible for investigating money laundering and currency-reporting crimes under statutory authority found in Titles 18 and 31 of the United States Code. This includes investigative jurisdiction over reports required under the Bank Secrecy Act. In addition, the IRS has investigative jurisdiction for money laundering crimes involving banks and other financial institutions.

The IRS criminal investigation function's statutory authority and the financial investigative expertise of its special agents have proven extremely useful in financially disrupting and dismantling criminal organizations. The IRS's examination function has regulatory authority for civil compliance with the Bank Secrecy Act for many financial institutions, as well as for non-bank financial institutions such as currency dealers/currency

Department of the Treasury - FY 1999 Program Performance Report

exchangers, check-cashers, and wire remitters (i.e., money services businesses). The IRS examination function conducts Bank Secrecy Act compliance efforts to ensure that these institutions are in compliance with reporting, record keeping, and program requirements.

- ***The U.S. Secret Service's*** investigative program deals with electronic money laundering. The Service is involved with the evolution of E-commerce and its implications for money laundering.
- ***The Executive Office of Asset Forfeiture*** provides the resources to manage an effective asset seizure and forfeiture program. Managing the program includes managing the cost of seizing, evaluating, inventorying, maintaining, protecting, advertising, forfeiting, and disposing of property. Asset forfeiture is used by Federal law enforcement to punish and deter criminal activity. All Treasury law enforcement bureaus are participants in the forfeiture fund.

Other agencies involved in fighting money laundering include the Department of Justice's Federal Bureau of Investigation, Drug Enforcement Administration and ninety-four U.S. Attorney's Offices; the United States Postal Inspection Service and the Department of State.

FY 1999 Accomplishments and Results:

Treasury published the first Money Laundering Strategy in September 1999. This is the first in a series of five annual reports called for by the Money Laundering and Financial Crimes Strategy Act of 1998. The strategy reflects the new level of coordination and cooperation cross the agencies of the Federal Government, among Federal, state and local authorities, and between the public and private sectors.

Also during FY 1999:

- ***FinCEN*** published the final regulation that requires registration of the Money Services Businesses (MSB) industry. The regulation is the latest effort to strengthen anti-money laundering controls. MSBs are financial institutions that provide distinct, but often-complementary services such as money transmission, check cashing, currency exchange, and the issuance, sale and redemption of money orders and traveler's checks. FinCEN also continues to monitor the regulatory policy issues associated with emerging electronic payment systems (electronic cash, electronic banking, and Internet gaming).
- ***FinCEN*** has provided all Treasury bureaus the capability of communicating securely among themselves through a secure e-mail system, and soon the system will provide them with the capability of exchanging sensitive case information.
- ***FinCEN*** also completed the Project Asia-Wash reports on the money laundering situations in India and Pakistan, as well as a detailed report on the Hawala alternate remittance system, which updates an earlier Interpol report on the subject.
- ***Customs*** exceeded its goal of \$280 million in currency seizures due to the establishment of fulltime Outbound Teams, increased efforts to conduct outbound enforcement examinations, and the implementation of formalized outbound currency interdiction training. The Customs Money Laundering Coordination Center (MLCC) was directed by Treasury to be the nucleus for intelligence gathering and industry outreach on the Black Market Peso Exchange (BMPE). The MLCC is the only U.S. Government entity tracking the BMPE and figures prominently in the Treasury National Money Laundering Strategy.
- ***The IRS's Criminal Investigation Division*** played a significant role in drafting and implementing the National Money Laundering Strategy. IRS also continued its efforts to combat money laundering during FY 1999 by initiating 2,076 money laundering cases and recommending prosecution on 1,710 cases. The approximate dollar amount of proceeds laundered in these cases was \$7.1 billion.

Department of the Treasury - FY 1999 Program Performance Report

- *The Executive Office of Asset Forfeiture* worked closely with Treasury's law enforcement bureaus and was able to improve various processes. These improvements led to a more efficient operation in the processing of equitable sharing payments. During FY 1999, on average, equitable sharing payments were made in 219 days, 52 fewer days than FY 1998, and 11 fewer days than the FY 1999 target.

Following is a report on the performance targets in Treasury's FY 1999 Performance Plan related to this objective:

<i>Financial Crimes Enforcement Network Performance Goal: Provide law enforcement and the financial and regulatory communities with the foremost information sources available through state-of-the-art technology (e.g., platform, Gateway, artificial intelligence targeting, intelligence report, etc.).</i>			
Number of Tactical Cases Completed (# cases)	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	6,816	6,000-7,000	6,868
Explanation of Measure: This measure provides an indicator of the yearly activity level of financial intelligence case support provided to law enforcement and regulatory communities.			
Number of Tactical Cases Completed (# subjects)	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	26,732	25,000-27,000	36,483
Explanation of Measure: This measure provides an indicator of the yearly activity level of financial intelligence case support provided to law enforcement and regulatory communities.			
Number of Interagency Alerts Issued by the Gateway System	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	1,429	1,200-1,500	1,580
Explanation of Measure: This measure provides an indicator of the number of opportunities FinCEN has to reduce duplicative investigative efforts and to enhance cooperative efforts among law enforcement entities. [The Gateway system notifies FinCEN when an individual, business, or organization has been queried by a user and is the subject of an investigation by another agency.]			
Percent of Increase in the Number of Non-Paper Suspicious Activity Reports (SARs) Filed. (Baseline FY 1997 = 30%)	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	--	40-45%	38%
Explanation of Measure: This measure monitors the progress achieved in converting financial institutions to filing non-paper SARs. The increase in non-paper filing will provide increased timeliness and quality of the reports.			
Explanation of Shortfall: The target was not met because many banks delayed implementation of the improved version of the SAR software (provided by FinCEN and the IRS Detroit Computing Center in September 1999) and chose to submit paper SARs until any Y2K issues were resolved.			

Department of the Treasury - FY 1999 Program Performance Report

Financial Crimes Enforcement Network Performance Goal: Expand the use of advanced technology and explore options, which could enhance FinCEN's information-based activities.

Number of New Systems and Databases Developed or Enhanced by Integrating Advanced Tools for Use in Intelligence, Investigative, and Management Support

FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
12	5	8

Explanation of Measure: This measure indicates how well FinCEN is able to capitalize on new technology and advanced computer systems to assist analysts in accessing and analyzing information, and in communicating with the law enforcement, regulatory, and international communities.

Financial Crimes Enforcement Network Performance Goal: Enhance law enforcement's expertise through heightened and analytical efforts as it relates to trends and patterns and complex BSA data analysis.

Short/Long Term Analytic Projects Culminating in the Issuance of Reports, Studies, and/or Oral Presentations that were Deemed of Value to Law Enforcement Investigative Efforts

FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
4	5-7	9

Explanation of Measure: This measure indicates progress in providing analytical based reports and studies that are of value to law enforcement investigative efforts. The projects are comprehensive and assist the law enforcement, regulatory, and banking communities to better detect and prevent money laundering activity.

Financial Crimes Enforcement Network Performance Goal: Modify and administer the BSA rules to provide useful law enforcement information, reduce burdens of compliance, adapt to technology changes, and enhance partnership among law enforcement, regulatory, and the financial communities.

Number of 'Partnership Efforts' with Law Enforcement, Regulatory, and Financial Communities to Design Workable and Cost-Efficient Anti-Money Laundering Rules

FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
8	6	11

Explanation of Measure: This measure is designed to evaluate FinCEN's regulatory reform goals. FinCEN's goal is to reduce the regulatory burden on financial institutions while at the same time maintaining the benefit to law enforcement of the regulatory data collected. The effectiveness of FinCEN's regulatory proposals depends on participation of law enforcement, regulatory, and financial communities in the regulatory development process and their use of regulatory data to detect crime. FinCEN's participation goal is achieved through conducting meetings, conferences and open public hearings.

Department of the Treasury - FY 1999 Program Performance Report

Financial Crimes Enforcement Network Performance Goal: *Modify and administer the BSA rules to provide useful law enforcement information, reduce burdens of compliance, adapt to technology changes, and enhance partnership among law enforcement, regulatory, and the financial communities.*

Percent Reduction in the Number of Currency Transaction Reports (CTR) Due to Elimination or Reformulation of Compliance and Information Collection Requirements from 1996 Baseline

CY 1998 Actuals	CY 1999 Plan	CY 1999 Actuals
1.3% (Corrected Actual)	5%	Data Not Available

Explanation of Measure: This measure monitors the progress in reducing the CTR burden of depository institutions. FinCEN revised the CTR to reduce the amount of information required, promulgated a new rule permitting depository institutions to exempt some entities from filing CTRs on every transaction in excess of \$10,000, and allowed banks to unilaterally exempt a large percentage of business from routine currency reporting requirements.

Explanation of Shortfall: Data expected to be available by April 1st, and will be reported in FY 2000 performance report.

Reduce the Average Time to Process a Civil Penalty Case

FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
--	3.0 years	2.0 years

Explanation of Measure: This measure monitors progress in reducing the average processing time for civil penalty matters from a 1997 baseline of 4.23 years.

Number of Consultations with Law Enforcement, Regulatory, and Financial Communities to Keep Pace with Technological and Commercial Changes

FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
9	8-10	9

Explanation of Measure: This measure indicates the level of effort by FinCEN to inform the law enforcement and regulatory communities, financial industry and general public, on technological developments in money laundering. FinCEN brings together experts to discuss the nature and the implications of evolving payment systems on anti-money laundering efforts.

Department of the Treasury - FY 1999 Program Performance Report

Financial Crimes Enforcement Network Performance Goal: Assist Treasury's multilateral and bilateral initiatives to increase the number of countries that are cooperatively engaged in the fight against money laundering.

Percentage of Countries/Jurisdictions with Membership in the "FATF-type" (Financial Action Task Force) Organizations

FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
30%	34%	41%

Explanation of Measure: This measure indicates the effectiveness of efforts to encourage and promote active participation of countries/jurisdictions in the fight against money laundering. ["FATF-type" organizations serve as a forum for promoting anti-money laundering programs.]

Percent of Countries/Jurisdictions Submitting to a Peer Evaluation

FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
38%	40%	40%

Explanation of Measure: This measure indicates the level of progress achieved by FinCEN in encouraging countries and jurisdictions to take part both in evaluating fellow members and in being evaluated by other members of international anti-money laundering forums, regarding the effectiveness of their anti-money laundering efforts.

Percentage of Countries/Jurisdictions having Units that meet the Egmont Group's Financial Intelligent Unit (FIU) Definition

FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
--	24%	24%

Explanation of Measure: This measure indicates the effectiveness of FinCEN's efforts to promote and assist in the creation of FIUs, which enhance the ability of countries to coordinate their efforts against money laundering and other financial crimes. [The Egmont Group of FIUs has established a standard definition for FIUs that has been endorsed by a number of international organizations.]

Increase in the Number of Investigative Information Exchanges Coordinated with Foreign Financial Intelligent Units (FIUs)

FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
--	100-120	217

Explanation of Measure: This measure indicates the effectiveness of FinCEN's efforts to promote direct operational cooperation on anti-money laundering investigations internationally. Investigative information exchanges include FinCEN providing information to foreign FIUs in support of their anti-money laundering activities and requesting information from FIUs on behalf of U.S. domestic law enforcement anti-money laundering investigations.

Department of the Treasury - FY 1999 Program Performance Report

Customs Service Performance Goal: Identify, disrupt, and dismantle the systems and criminal organizations that launder the proceeds generated by smuggling, trade fraud, and export violations.

Value of Property Seized (\$ in millions)	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	\$22.6 (Corrected Actual)	\$37.5	\$30.4

Explanation of Measure: The monetary value of real property (real estate, vehicles, jewelry) acquired through the profits of criminal activities that is seized by Customs officers in association with financial crime investigations.

Explanation of Shortfall: Customs officers seized or assisted in seizing \$30.4 million in property in association with financial crime investigations. While this amount is below the FY 1999 plan of \$37.5 million, it is 30 percent above last year's amount. All the gains expected from expanding the Asset Identification and Removal Groups to cover every Special-Agent-in-Charge office were not realized in FY 1999 because of a delay in hiring, but should be fully realized in FY 2000.

Total Monetary Instrument Seizures (\$ in millions)	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	\$426.6	\$280.0	\$329.7

Explanation of Measure: The value of all forms of monetary instruments (currency, bank accounts, traveler's checks, negotiable bonds, etc.) seized by or seized within the territorial jurisdiction of the United States (or in foreign pre-clearance locations) by or with the participation of Customs officers. This amount includes, but is not limited to, seizures made in association with financial crime investigations.

Executive Office of Asset Forfeiture Performance Goal: Affirmatively enhance the cooperation among foreign, Federal, state, and local law enforcement agencies.

Days required to Process Equitable Sharing Payments	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	271	230	219

Explanation of Measure: A calculation of the average number of days between the forfeiture of an asset for which there is an equitable sharing request by a state or local law enforcement agency and the issuance of a sharing check.

Department of the Treasury - FY 1999 Program Performance Report

Executive Office of Asset Forfeiture Performance Goal: Affirmatively influence the use of asset forfeiture by Federal law enforcement to punish and deter criminal activity, and manage revenues to cover the costs of seizures and forfeitures.

Percent of Mandatory Operational Costs Fully Funded by Regular Revenue	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	--	100%	100%

Explanation of Measure: A measure of the availability of forfeiture receipts to cover the unavoidable costs of the asset forfeiture program. Revenue sufficient to cover all authorities of the fund can signify efficient management.

Number of Days Elapsing between Forfeiture of Real Property and Final Disposal	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	421	365	394

Explanation of Measure: A measurement of the average number of days between the day real property is forfeited and the day the property is disposed of through sale.

Explanation of Shortfall: The FY 1999 results reflect several real properties sold that had been on the market for an unusually long period of time and were difficult properties to sell. This resulted in a larger than anticipated average number of days between forfeiture and final disposal.

Timely Processing of Administrative Forfeiture Cases	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	68%	75%	70%

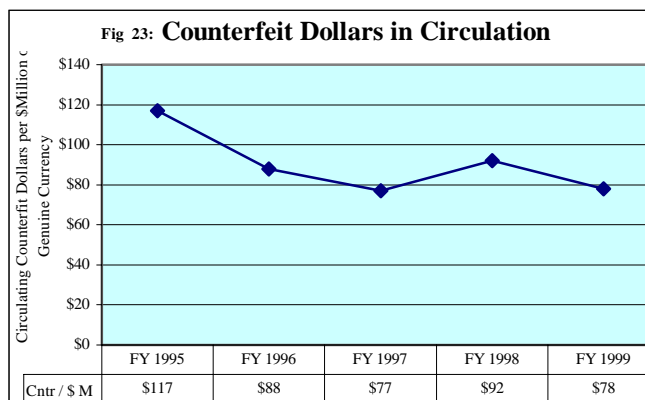
Explanation of Measure: A measurement of the percent of administrative seizures that were completed in a timely manner (six months for ATF, IRS, and Secret Service, and nine months for Customs).

Explanation of Shortfall: Although there was a 2-percentage point improvement over FY 1998 results, the target was missed by 5 percentage points. Management is seeking to make further improvements to achieve the levels stated for future years.

Treasury Objective: Strengthen the Capability to Fight Counterfeiting and Other Criminal Threats to Our Financial System

Relevant Trends:

Counterfeiting, electronic device schemes, and other financial crimes have cost consumers, financial institutions, and Governments billions of dollars. The level of counterfeit currency, which is estimated from counterfeit dollars recovered in the banking system, has been relatively constant over the past several years (see Fig. 23). The magnitude of other types of financial crimes is not as readily known.



Treasury Programs:

The Secret Service is responsible for conducting investigations of criminal activities when our Nation's financial systems are compromised and the economy of the United States is impacted.

Specifically, the Secret Service is responsible for investigating counterfeiting of currency and other securities; financial institution fraud; access device fraud; computer fraud; fictitious financial instruments; and protecting the integrity of the Nation's financial infrastructure.

FY 1999 Accomplishments and Results:

The Secret Service focuses its priorities on investigations within our jurisdiction with economic and community impact, particularly those involving organized criminal groups, multi-district, transnational associations, and schemes involving new technologies.

Financial crime and counterfeiting represented 82 percent of Secret Service's criminal investigations closed during FY 1999. The Secret Service closed 1,973 financial institution fraud cases, which resulted in 1,955 arrests. The counterfeit program is constantly reviewed and refined to keep a step ahead of counterfeiters and counterfeiting technology.

During FY 1999, the Secret Service closed 22,558 investigative cases that resulted in 9,005 arrests. In addition, the Secret Service seized \$126M in counterfeit U.S. currency overseas. The Secret Service also suppressed 38 counterfeit plant operations in foreign countries.

Department of the Treasury - FY 1999 Program Performance Report

Following is a report on the performance targets in Treasury's FY 1999 Performance Plan related to this objective:

Secret Service Performance Goal: <i>Disrupt and dismantle the illegal activities of major violators of Federal Financial Crime laws, including counterfeiting and credit card fraud.</i>			
Total Criminal Cases Closed	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	27,429	28,000	22,558
<p>Explanation of Measure: This measure reports the total number of criminal cases worked and closed by agents assigned to field operations. Case types included are counterfeiting, financial institution fraud, forgery of Government securities, financial crime, and other criminal violations resulting from task force initiatives.</p> <p>Explanation of Shortfall: The target was not met due to a redirection of field resources to support the protective mission. The Service requested and Congress authorized 234 additional positions in FY 2000 to address increased protective requirements.</p>			
Percent of Cases Accepted for Federal Prosecution	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	50%	50%	48%
<p>Explanation of Measure: This measure reports the percentage of defendants prosecuted in Federal court relative to the total number of prosecutions at all judicial levels. The goal is to increase the percentage of defendants prosecuted at the Federal level by presenting cases consistent with the national crime suppression strategies.</p> <p>Explanation of Shortfall: The target was not met due to a redirection of field resources to support the protective mission. The Service requested and Congress authorized an additional 234 positions in FY 2000 to address increased protective requirements.</p>			
Targeted Financial Crimes Cases Closed	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	6,052	6,000	4,890
<p>Explanation of Measure: This measure reports the total number of criminal cases worked and closed by the Secret Service. These cases generally involve organized groups, task force operations, or chronic financial problems.</p> <p>Explanation of Shortfall: The target was not met due to a redirection of field resources to support the protective mission. The Service requested and Congress authorized an additional 234 positions in FY 2000 to address increased protective requirements.</p>			
Counterfeit Passed per Million Dollars Genuine U.S. Currency	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	\$92	\$90	\$78
<p>Explanation of Measure: This measure is an indicator of the proportion of counterfeit currency relative to the amount of genuine currency in circulation.</p>			

Department of the Treasury - FY 1999 Program Performance Report

Secret Service Performance Goal: <i>Disrupt and dismantle the illegal activities of major violators of Federal Financial Crime laws, including counterfeiting and credit card fraud.</i>			
Counterfeit Passed on to the Public -- Domestic (\$ in millions)	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	\$40.0	\$40.0	\$39.2
Explanation of Measure: This measure reports the total amount of counterfeit currency passed on the public in the United States. The measure is calculated using the face value of the counterfeit currency reported.			
Counterfeit Passed on to the Public – Foreign (\$ in millions)	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	\$3.2	\$5.0	\$1.4
Explanation of Measure: This measure reports the total amount of counterfeit currency passed on the public overseas. The measure is calculated using the face value of the counterfeit currency reported.			

The Service plans to report on the following two new performance measures starting next fiscal year:

Actual Financial Crime Loss – This measure would report the actual dollar loss to the public, as identified by the Secret Service.

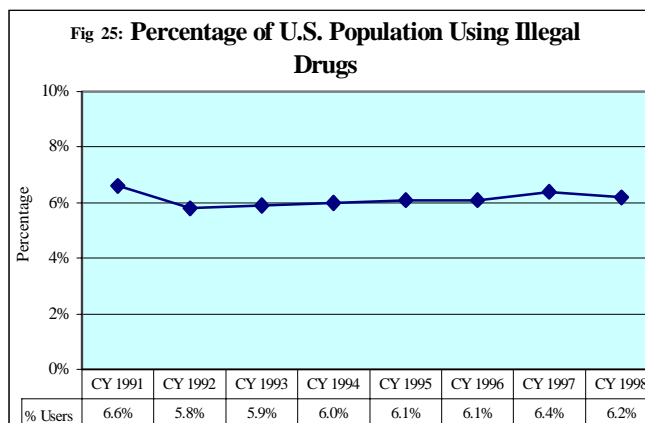
Potential Financial Crime Loss - This measure would report an estimate of the direct dollars losses prevented due to the Secret Service intervention/interruption of a criminal venture. This estimate would be based on the likely amount of financial crime that would have occurred had the offender not been identified or the criminal enterprises disrupted.

Treasury Objective: Strengthen the Capability to Interdict Illegal Drugs

Key Trends:

Illegal drug use and its consequences, including other crimes, permeate every corner of society, afflicting inner cities, affluent suburbs, and rural communities. One of the key trends to gauge progress is the estimated percentage of the population using drugs, which has remained relatively stable during the 1990s (see Fig. 25).

However, although drug use across the population has remained stable, any amount of illegal drugs crossing U.S. borders and made available for consumption by the American public must be controlled. As long as the demand for illegal drugs is high, the challenge to reduce the supply will be significant.

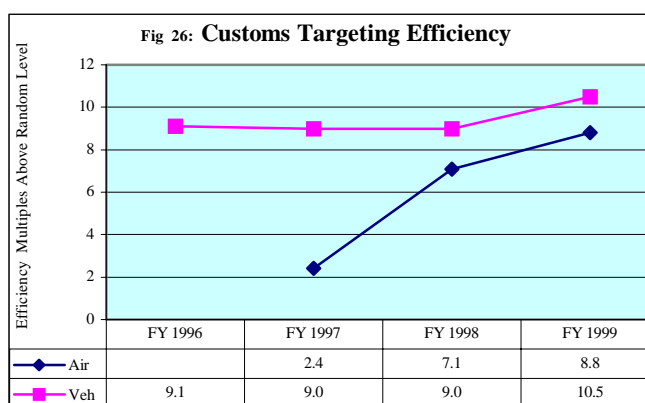


Treasury Programs:

The U. S. Customs Service is responsible for protecting the U.S. borders from illicit drugs entering the country. To meet the challenge of policing the Nation's borders against drugs, Customs has had to work smarter by integrating new technologies with conventional investigative techniques.

Although drug seizures by Customs have continued at high levels over the past few years, accurate data on the estimated amount of illegal drugs entering the United States is not reliable. As a result, developing performance indicators for measuring the effectiveness of drug interdiction is very difficult. However, Customs has developed various results-oriented methodologies for improving its own capability to identify and target potential violators.

The Targeting Efficiency measure provides a quantitative way to assess the effectiveness of analytical tools and methodologies that are being used to improve results of examinations conducted by Customs officers. The methodology is applied to both air passengers and vehicles that are selected for inspection. The measure is a comparison of the number of violations found during targeted selective examinations to a random sample. The measure is collected in Customs Compliance Measurement Programs System that is based on a statistical valid examination of random sample air passengers and vehicles with the examination results that are recorded in the Treasury Enforcement Communications System (TECS). As an example, a targeting efficiency number of 10 means that Customs finds 10 times as many violations per 1,000 targeted selective examinations than it would have if it simply selected vehicles or passengers at random. Targeting efficiency has improved over the past few years, most dramatically for passenger inspections (see Fig. 26).



To complement the targeting techniques that are being used by Customs, port infrastructure has been strengthened and Customs inspectors have been equipped with better tools to perform more intensive narcotics exams. Customs currently has several fixed truck x-ray sites located along the Southwest Border. In addition to the fixed x-ray technology, Customs also has mobile x-ray and gamma-ray examination technology available for assisting in the

detection of illegal contraband. Customs counter drug initiative focuses on deploying higher energy x-rays, mobile truck x-rays and Automated Targeting systems along the Southern tier of the United States. Deployment of this equipment will ensure faster, more reliable inspection of conveyances at ports of entry. It will also improve Customs targeting ability by utilizing automated systems to compile and evaluate information regarding commercial shipments. Also, drug smuggling via commercial cargo and conveyances has been reduced as a result of the Carrier Initiative Program, Business Anti-Smuggling Coalition and the Americas Counter Smuggling Initiative. The use of Customs canine resources to assist in the interdiction of drugs has been extremely successful. Together, these tools and technologies will increase interdiction activities and raise the threat of detection to drug smuggling organizations as will the Customs Air and Marine program.

The Customs Air and Marine program uses air and sea interdiction units designed to protect the Nation's extensive borders from the continually shifting narcotics and contraband smuggling threat. The basic tool for accomplishing these interdiction activities is the air module, an operational unit comprised of aircraft and helicopters for detection, interception, tracking and apprehension of suspect smuggling targets. Beginning in 1999, the Aviation and Marine programs began implementing an ambitious strategy to improve their efforts to combat narcotics smuggling through the creation of a unified Air and Marine Interdiction program. This provides additional coordinated resources as Customs is striving to enhance, modernize, and integrate this program to provide better drug interdiction coverage along the coastal waterways that will also enhance investigative capabilities.

In support of Customs overall drug interdiction efforts, Customs has 114 aircraft deployed throughout the drug source and transit zones. These include long range P-3 craft with advanced radar systems capable of tracking suspect targets from deep in South America all the way to the U.S. border. Customs also utilizes smaller, C-550 interceptor jets for close tracking and high speed chases; Black Hawk helicopters for the end-game phase of an air operation; and light enforcement helicopters for aerial and photo surveillance. On the seas, long range radar platform craft, as well as Customs high-speed interceptor boats capable of overtaking the go-fast craft favored by smugglers today are deployed. Customs air and marine interdiction efforts in both the transit and source zones during FY 1999 resulted in the seizure of 2,225 pounds of marijuana and 11,850 pounds of cocaine. This is a significant increase over FY 1998 figures.

Customs continues its effort to implement a coordinated approach through intelligence, investigations and interdiction as a means for enhancing interdiction activities. By increasing emphasis on Title III and undercover operations, utilizing controlled deliveries and cold convoys at the border, aggressively recruiting confidential informants and cooperating defendants and aggressively identifying, seizing and forfeiting the proceeds of drug smuggling through all administrative and judicial means available interdiction efforts are expected to improve.

FY 1999 Accomplishments and Results:

- The quantity of narcotics seized in FY 1999 was a record for Customs. In total, Customs seized 160,353 pounds of cocaine, 1,147,591 pounds of marijuana, 1,919 pounds of heroin, and 82,986 pounds of hashish, opiates, khat, and methamphetamine. The total weight of narcotics seized was 1,392,849 pounds, up 207,554 pounds, or 17.5 percent, above FY 1998 (up 1.8 percent for cocaine, up 20.1 percent for marijuana, down 30.5 percent for heroin, up 19.4 percent for other drugs). The increase in pounds of marijuana seized is due largely to enhanced Southwest border and maritime interdiction.
- During FY 1999, Treasury's Office of Enforcement, Customs, ATF, IRS-Criminal Investigation Division, and FinCEN participated fully in the Department of State led process to develop the U.S. program of support to *Plan Colombia*. *Plan Colombia* is designed to strengthen the Colombian economy and democracy, and fight narcotics trafficking. The U.S. has a vital national interest in the success of *Plan Colombia*. Narcotics traffickers in Colombia now supply approximately 80 percent of the cocaine used in the U.S., and Columbia is the oldest democracy in South America being threatened by narcotics insurgency. For these reasons, the President is proposing an expanded comprehensive program of support to Colombia.

Department of the Treasury - FY 1999 Program Performance Report

- Treasury's Office of Enforcement represented the Department in the inter-agency intelligence architecture review during FY 1999. The review, which also involved the Office of National Drug Control Policy, the Department of Justice, the Central Intelligence Agency, and other agencies, led to a report containing a series of important action items to improve intelligence collection, dissemination, and use in the interdiction of drugs.

Following is a report on the performance targets in Treasury's FY 1999 Performance Plan related to this objective:

Customs Service Performance Goal: <i>To reduce the flow of drugs across the United States border and disrupt and dismantle Drug Smuggling Organizations through unified intelligence, interdiction, and investigative efforts.</i>			
Narcotics Seized (thousands of pounds): Cocaine Marijuana Heroin	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	157.0	160.0	160.4
	956.0	805.0	1,147.6
	3.0	3.0	1.9
<p>Explanation of Measure: This measures the total pounds of cocaine, marijuana, and heroin seized within the territorial jurisdiction of the United States (or in pre-clearance locations) by, or with the participation of, Customs officers.</p> <p>Explanation of Shortfall: In FY 1998, Customs seized the largest amount of heroin since 1993, due primarily to the identification and seizure of numerous larger sized shipments of heroin in the 10 to 20 kilogram range versus the typical 1 to 2 kilogram range. FY 1999 heroin seizure targets were based in part on this FY 1998 data. The decline in the amount of heroin seized in FY 1999 may be the result of traffickers reacting to Customs' success in FY 1998 by adjusting their tactics, routing, reducing their load size, and resorting to deeper concealment methods.</p>			
Number of Narcotics Seizures: Cocaine Marijuana Heroin	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	2,364	2,500	2,509
	15,545	14,000	15,699
	1,049	1,250	911
<p>Explanation of Measure: The number of incidents in which cocaine, marijuana, or heroin were seized within the territorial jurisdiction of the United States (or in foreign pre-clearance locations) by, or with the participation of, Customs officers.</p> <p>Explanation of Shortfall: See above explanation for the number of heroin seizures target that was missed.</p>			

Department of the Treasury - FY 1999 Program Performance Report

Customs Service Performance Goal: To reduce the flow of drugs across the U.S. border and disrupt and dismantle Drug Smuggling Organizations through unified intelligence, interdiction, and investigative efforts.

	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
Seizures from Efforts in the Transit Zone:			
Cocaine (pounds)	6,179	15,000	11,850
Marijuana (pounds)	650	1,500	2,225

Explanation of Measure: The amount of cocaine and marijuana seized (in pounds) by foreign enforcement agencies, resulting from Customs air interdiction efforts in the transit zone. The transit zone is a six-million square mile area that includes the Caribbean, Gulf of Mexico, and eastern Pacific Ocean.

Explanation of Shortfall: Although the target for cocaine seizures in the transit zone was not achieved, there was a significant increase over the FY 1998 results. Customs is in the process of developing new indicators and this one will be dropped in future fiscal years.

Customs Service Performance Goal: To ensure compliance and allow the expeditious movement of low-risk travelers by increasing traveler's awareness and targeting, identifying, and examining high-risk travelers.

	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
Targeting Efficiency:			
Air Travel	7.1	7.0	8.8
Vehicles	9.0	10.5	8.3

Explanation of Measure: This measure is an estimate of how efficiently Customs selects air passengers and vehicles for inspection. The measure is a comparison of the number of particular violations found during targeted selective examinations to a random sample (a targeting efficiency of 7.5 means that Customs finds 7.5 times as many violations per 1,000 examinations as it would have if it simply selected vehicles at random).

Explanation of Shortfall: The results of random sample seizures were greater than anticipated. These results caused the vehicle targeting efficiency to decrease. Customs is analyzing the data to determine the cause, if any, of the increased random seizures.

Department of the Treasury - FY 1999 Program Performance Report

Customs Service Performance Goal: To ensure compliance and allow the expeditious movement of low-risk travelers by increasing traveler's awareness and targeting, identifying, and examining high-risk travelers.

	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
Compliance Rate:			
Air Travel (percent compliant)	97.70%	97.70%	97.40%
Vehicles (percent compliant)	99.95%	99.97%	97.60%

Explanation of Measure: From a statistically valid random sample, the estimated rate of particular violations believed to be present in the air passenger and vehicular populations.

Explanation of Shortfall: The deviation of actual *Compliance Rate Air Travel* results from the planned results is negligible given the number of total population (over 70 million) processed during the year. Customs is continuing to expand programs that improve access to information and informed compliance. The *Compliance Rate Vehicles* goal was established when only *Category 1* violations were considered in the calculations. It was determined that consistency between air and land processing necessitated a revision to include all violations in the vehicle compliance calculation. This change resulted in the shortfall.

Note: *Category 1* violations include drug seizures above zero tolerance amounts, prohibited weapons and explosive devices (except fireworks), controlled or prohibited medications, merchandise seizures valued above \$1,250, all arrests, and currency reporting violations resulting in seizure.

	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
Cycle Time:			
Air Travel	5 minutes	5 minutes	5 minutes
Vehicles	baseline	baseline	30 minutes

Explanation of Measure: For air travel, the maximum time it takes for 95 percent of air passengers to clear Customs, from checked luggage retrieval to exit. Data is from surveys performed at selected airports. For vehicles, the average time it takes a noncommercial vehicle to be processed through the initial border screening at all land border ports on the Mexican and Canadian borders.

	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
Advance Passenger Information System (APIS) Rate	75%	80%	79%

Explanation of Measure: This measures the percentage of non-pre-cleared flights with passenger data provided to Customs by APIS. APIS is a cooperative effort between Federal Inspection Service agencies and the airline industry, designed to provide effective narcotics interdiction while efficiently processing compliant passengers.

Explanation of Shortfall: Although the target for APIS use was missed, there was an increase over the FY 1998 results. In addition, this measure relies upon carrier supplied data. The lower than estimated number of carriers that implemented automated reservation systems affected the actual results.

Department of the Treasury - FY 1999 Program Performance Report

Customs Service Performance Goal: *To ensure compliance and allow the expeditious movement of low-risk travelers by increasing traveler's awareness and targeting, identifying, and examining high-risk travelers.*

Customer Satisfaction -- Passenger Processing	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	--	Baseline	Unmet

Explanation of Measure: Obtained from a statistically valid sample of passengers completing processing through Customs' major airport facilities. The measure represents the passengers' satisfaction with the professionalism of the Inspectors, the availability of information concerning Customs' requirements, and the effectiveness of the process.

Explanation of Shortfall: Reliable data was not available to establish a baseline during FY 1999. During FY 2000 Customs will determine the feasibility of adopting this measure by evaluating the methodology behind it, the ability to capture and validate the data, and the availability of information.

Unit Cost of Passenger Processing	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	--	Baseline	Unmet

Explanation of Measure: The measure represents the direct and indirect cost of processing passengers.

Explanation of Shortfall: Reliable data was not available to establish a baseline during FY 1999. During FY 2000 Customs will determine the feasibility of adopting this measure by evaluating the methodology behind it, the ability to capture and validate the data, and the availability of information.

Treasury Objective: Disrupt and Dismantle Drug Smuggling Organizations

Key Trends:

A key drug strategy is to dismantle illegal drug smuggling organizations. By providing unique investigative expertise to disrupt these organizations, Treasury impacts the availability of illegal drugs in the U.S.

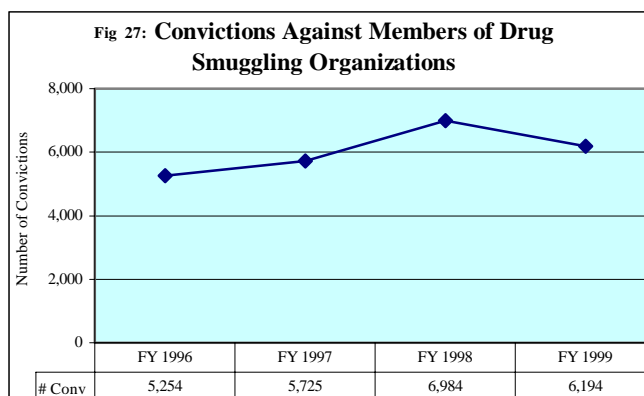
Over the past four years, convictions of members of drug smuggling organizations increased 18 percent (see Fig. 27). Indictments increased 43 percent during the same period.

Treasury Programs:

Since 1982, the **Internal Revenue Service - Criminal Investigation Division (IRS-CID)**, the **U.S. Customs Service (Customs)**, and the **Bureau of Alcohol, Tobacco and Firearms (ATF)** have participated in the Organized Crime Drug Enforcement Task Force (OCDETF)/Interagency Crime and Drug Enforcement (ICDE)¹ program. This is the only cross-cutting Federal drug program that focuses attention and resources on disrupting and dismantling major drug trafficking organizations.

Primarily through Treasury and the Department of Justice, OCDETF/ICDE provides the framework for Federal, state, and local law enforcement, empowering agencies to work together. Each agency utilizes its unique expertise to target well-established and complex organizations engaged in illegal narcotics trafficking, thereby disrupting the organization. Since 1982, OCDETF/ICDE has contributed to successful prosecutions and convictions of 74,306 members of criminal organizations and resulted in the seizure of cash and property assets totaling approximately \$3.4 billion.

- Internal Revenue Service.** The IRS criminal investigation strategy in counter-drug activities is to prevent the smuggling of narcotics into the United States by reducing the profit motive to criminal organizations through continued support to joint agency task forces, including the Organized Crime Drug Enforcement Task Forces (OCDETFs) and High Intensity Drug Trafficking Areas (HIDTA) teams, through the use of asset forfeiture, and through assistance in developing money laundering and asset forfeiture legislation. IRS special agents utilize money laundering, tax evasion, and net worth investigative skills in conducting narcotics-related investigations. The IRS is currently organizing two projects, the Wire Remitter and the Bulk Transportation of Currency initiatives to assist in identifying domestic and international narcotics money laundering organizations that utilize the non-bank wire remitter industry or transport large quantities of currency from, into, and within the United States. The IRS is also participating in the newly created money laundering section at the Department of Justice, Special Operations Division, which is heavily concentrated on international narcotics-related activities. U.S. Attorneys report that IRS participation is one of the most critical aspects of an OCDETF investigation.



¹ Prior to FY 1998, the Department of Justice prepared an annual consolidated budget request for OCDETF on behalf of all participating agencies. Beginning in FY 1998, OCDETF funding was decentralized, enabling Treasury to prepare its budget. In addition, a new name, ICDE, was given to the program.

- ***U.S. Customs Service.*** Customs investigators work to develop cases that will result in the highest impact on drug smuggling organizations. Investigators have increased their emphasis on Title III and undercover investigations to identify and infiltrate drug smuggling organizations. Customs investigators also aggressively identify and seize the proceeds of drug smuggling organizations, using all administrative and judicial means possible.

In addition, in order to identify major drug organizations and the leaders of those organizations for prosecution, Customs participates in "controlled deliveries." For example, during a controlled delivery, the individual(s) transporting drugs may be allowed to drive through a port of entry. Unknown to the individual(s), a sophisticated surveillance is initiated by Customs, along with other Federal, state, and local law enforcement organizations that follow the vehicle to the drop point. When members of the drug smuggling organization pick-up the drug shipment, Customs will continue the surveillance, identifying more members of the drug smuggling organization, eventually resulting in large seizures and numerous arrests.

- ***Bureau of Alcohol, Tobacco and Firearms.*** ATF focuses its investigations on members of violent narcotics trafficking organizations, including outlaw motorcycle organizations and street gangs that frequently resort to violence to further their operations. In case after case, it is clear that firearms are used as a tool of the drug organization for purposes of intimidation, enforcement, and retaliation. It is generally recognized that a significant portion of today's violent crime is directly associated with the distribution of drugs by sophisticated drug trafficking organizations. A properly balanced drug enforcement strategy must specifically target drug organizations' routine use of violence to carry out their operations.

In addition, the **Office of Foreign Assets Control (OFAC)** within the Office of the Under Secretary for Enforcement, administers economic sanctions against specific narcotics trafficking organizations. Under the OFAC Narcotics Program, United States persons are prohibited from dealing with the four principal figures in the Cali Drug Cartel centered in Columbia and any individuals designated by OFAC, in consultation with other U.S. Government agencies, as Specially Designated Narcotics Trafficker ("SDNT"). SDNTs are persons or organizations that play a significant role in international narcotics trafficking centered in Columbia, or materially assist or provide support to persons covered by the Executive Order. Assets belonging to SDNTs and the four principal figures are blocked where they come under U.S. jurisdiction. The objective of the program is to bankrupt and disrupt the Colombian Cartels by identifying, exposing, isolating, and incapacitating their business and agents and denying them access to the U.S. financial system and to the benefits of trade with U.S. businesses and individuals.

FY 1999 Accomplishments and Results:

- During FY 1999 OCDETF/ICDE initiated 1,484 nationally coordinated investigations of major drug trafficking organizations. Specifically, 9,866 indictments and 6,194 convictions were obtained in OCDETF/ICDE cases involving targeted drug trafficking organizations. These arrests caused the disruption of several drug trafficking organizations.

Department of the Treasury - FY 1999 Program Performance Report

Following is a report on the performance targets in Treasury's FY 1999 Performance Plan related to this objective:

Departmental Offices Performance Goal: Effective oversight of law enforcement bureaus.

Maximize Compliance with Sanctions Programs through Education and Awareness of the Public and Industry

**FY 1998
Actuals**

**FY 1999
Plan**

**FY 1999
Actuals**

--

Qualitative
Progress

See Below

Explanation of Measure: The success of the Office of Foreign Assets Control (OFAC) program depends largely on the awareness and education of the public and industry. A variety of systems and efforts are in place to accomplish that objective to include: a thorough and resourceful web page, articles and advertising in trade journals, a hot line, and training/seminars for specific groups.

Explanation of Actuals: OFAC compliance efforts to keep the public up to date about sanctions requirements and recent changes to sanctions policy and regulations resulted in over 50 system changes/uploads to the OFAC Departmental Offices' web page and to OFAC's "Fax on Demand" service, numerous revisions to program and industry brochures published by OFAC, and updates to OFAC's Specially Designated National list to incorporate new designations. In addition, OFAC upgraded its website to add a regulatory section, an optional blocked funds license request form, and copies of OFAC articles published in trade journals. The success of OFAC's website was reflected by the 768,289 visits registered during 1999. OFAC also conducted 65 seminars on sanctions compliance across the country to various industry groups. These efforts were critical in OFAC's implementation of its sanctions programs on narcotics traffickers during FY 1999. During FY 1999, OFAC sent alert letters to the Columbian banking association and several Columbian banks that affect 19 banks holding SDNT accounts. OFAC also designated 49 SDNT's and blocked 12 transactions totaling \$161,108.

Department of the Treasury - FY 1999 Program Performance Report

Customs Service Performance Goal: *To disrupt the individuals, organizations, and the methods they use to violate laws enforced by the U.S. Customs Service.*

	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
Drug Smuggling Organizations' Transportation Costs (all conveyances and modes for cocaine)	\$220-\$5,000 per Kilo or 20% - 50% of total load	Reestablish Baseline	Not Met

Explanation of Measure: This measures the costs incurred by Drug Smuggling Organizations to transport Cocaine Hydrochloride from Columbia to the United States. The concept of the measure is to determine the impact of Customs' counterdrug efforts (interdiction, investigations and intelligence) on these costs.

Explanation of Shortfall: Additional analysis is required on the "proof of concept" to establish a national model and further determine the relationship of resources and their impact on interdiction efforts and to establish out-year targets. During FY 2000, Customs will determine the feasibility of adopting this measure by evaluating the methodology behind it, the ability to capture and validate the data, and the availability of information.

Treasury Objective: Deny Criminals Access to Firearms and Reduce the Risk of Violent Crime in Our Communities

Key Trends:

Treasury is unable to directly measure if illegal criminal access to firearms is diminishing. However, through the Brady Act, we do know that approximately 100,000 illegal gun sales were prevented since November 1998. We also know that violent crime rates have steadily declined nationwide in recent years.

Between FY 1995 and FY 1998, crimes such as homicides, robberies, rapes and aggravated assaults have declined 15 percent (see Fig. 28). In addition, the number of crimes committed with a firearm has declined 28 percent (see Fig. 29).

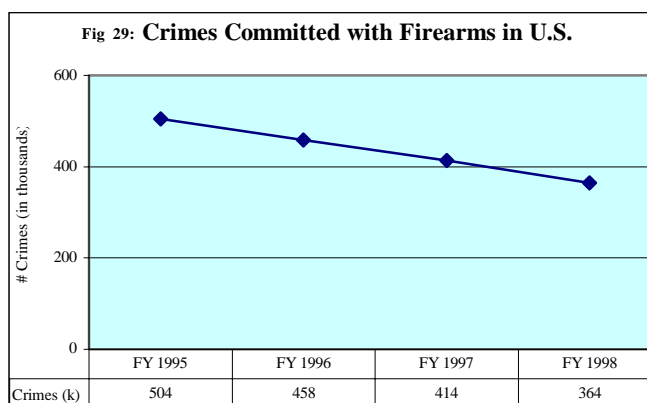
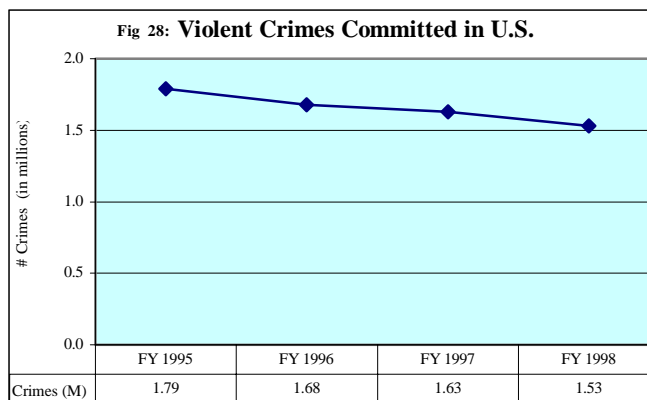
Treasury Programs:

The Bureau of Alcohol, Tobacco and Firearms (ATF) works to reduce violent crime by imprisoning violent offenders, reducing the criminal misuse of firearms, explosives and fire, and through partnerships, increasing community outreach efforts.

ATF's Integrated Violence Reduction Strategy focuses on several different components of firearms enforcement aimed at reducing the illegal acquisition, carrying and use of firearms and explosives. Investigative priorities focus on armed violent offenders and career criminals, narcotics traffickers, narco-terrorists, violent gangs, and domestic and international arms traffickers. Another part of the strategy is the development and deployment of the Youth Crime Gun Interdiction Initiative (YCGII). Two major goals of YCGII are to encourage comprehensive crime gun tracing by State and local law enforcement agencies and to provide crime gun market analyses to assist law enforcement in arresting traffickers and breaking the chain of the illegal supply of firearms to juveniles and youths.

One aspect of the YCGII is ATF's community outreach through the Gang Resistance Education and Training (G.R.E.A.T.) Program. The purpose of the G.R.E.A.T. program is to provide classroom instruction for school-aged children and a wide range of community-based activities that result in the necessary life skills, a sense of competency, usefulness, and personal empowerment needed to avoid involvement in youth violence and criminal activity. During FY 1999, G.R.E.A.T. officers around the country taught approximately 334,443 school-aged children.

ATF also issues licenses to persons intending to engage in business as an importer, manufacturer or dealer in firearms and conducts firearm licensee qualification and compliance inspections. These compliance inspections assist law enforcement to identify and apprehend criminals or violators who illegally sell or purchase firearms. The inspections help improve the likelihood that crime gun traces will be successful, since inspectors educate licensees in proper record keeping and business practices. Compliance inspections target licensees who have a high number of firearms trafficking indicators.



Department of the Treasury - FY 1999 Program Performance Report

FY 1999 Accomplishments and Results:

ATF made progress in several areas associated with this objective during FY 1999:

- Treasury helped develop the Administration's firearms legislation, which would require background checks on firearms sold at gun shows, increase penalties on traffickers, mandate the sale of safety locks with firearms, and restrict handgun purchases to one a month.
- Through funding provided for by Congress, new special agent positions were hired to staff the 27 YCGII cities and 40 Integrated Ballistics Identification System (IBIS) units were installed in 34 cities to meet demands of law enforcement community.
- ATF National Tracing Center is being relocated to the former IRS computer center in Martinsburg, WV, to accommodate the growing demand for crime gun traces.

Following is a report on the performance targets in Treasury's FY 1999 Performance Plan related to this objective:

<i>Bureau of Alcohol, Tobacco and Firearms Performance Goal:</i> <i>Imprison violent offenders; reduce the criminal misuse of firearms, explosives and fire, and through partnerships; and increase exposure from community outreach efforts.</i>			
Crime-Related Costs Avoided (\$ in Billions)	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	\$0.99	\$1.00	\$1.05
Explanation of Measure: This measure is an estimate of the cost of crimes avoided by the Nation as a result of the prevention and solution of crimes via ATF's programs. It measures only thefts and property damage avoided, and does not take into account the avoidance of human trauma and emotional loss that also results from reducing crime.			
Number of Future Crimes Avoided	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	503,955	450,000	542,560
Explanation of Measure: This measure is an estimate of the total number of crimes prevented through the incarceration of criminals and the elimination of crime gun sources via ATF's programs.			
Number of Traces	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	188,299	200,000	209,127
Explanation of Measure: This measure reflects the number of trace requests submitted during the fiscal year. Firearms tracing is the systematic tracking of the history of a recovered crime gun (guns recovered from crimes or from those prohibited from owning them) from the manufacturer or importer through the chain of distribution to the first individual purchaser of the firearms to assist law enforcement in arresting illegal suppliers of firearms.			

Department of the Treasury - FY 1999 Program Performance Report

Bureau of Alcohol, Tobacco and Firearms Performance Goal: *Imprison violent offenders; reduce the criminal misuse of firearms, explosives and fire, and through partnerships; and increase exposure from community outreach efforts.*

Average Trace Response Time (in workdays)	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	18.8	11.5	11.3

Explanation of Measure: This measures the average time taken to process a trace request, from receipt to disposition.

Number of Persons Trained/Developed	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	60,156	52,000	53,385

Explanation of Measure: This measure is the number of individuals who are trained by ATF personnel. This includes ATF employees as well as state, Federal, local and international law enforcement personnel. In FY 2001, ATF performance measure that will focus on the number of personnel trained in relation to the Integrated Violence Reduction Strategy (IVRS).

Treasury Objective: Safeguard the public from arson and explosive incidents

Key Trends:

Arson is the crime of burning property, usually for the purpose of collecting insurance, but sometimes for revenge or as part of a hate crime. Over 400 people were killed or injured as a result of arson over the past five years. In 1997 (latest available data), arson caused over \$280 million in damages. Between 1995 and 1997, the number of fires investigated by the Bureau of Alcohol, Tobacco and Firearms (ATF) rose, with a large jump in suspected arsons in 1996 due to the increase in church fires (see Fig. 30).

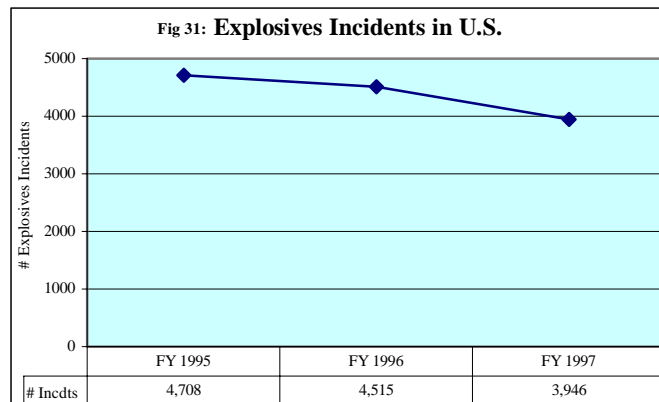
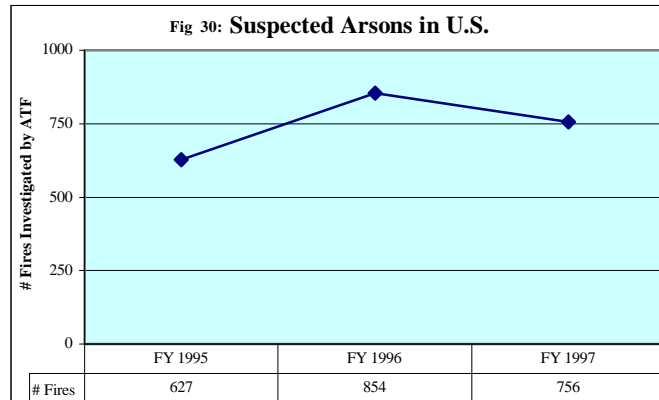
In contrast, the number of explosives incidents recorded with ATF has been decreasing in recent years (see Fig. 31). Explosives incidents are actual and attempted illegal detonations of explosives.

Treasury Programs:

ATF has a cadre of explosive technologists with unique capabilities in explosives and bomb disposal. In addition, ATF provides resources to local communities to investigate explosives and arson incidents and has a wide range of resources available. ATF also shares the lead role in the church fire investigations, trains canines in accelerant-detection and explosives detection, has several ongoing prevention-related programs, and provides expertise in solving arson-for-profit schemes. ATF also operates the National Arson and Explosives Repository System (AEXIS) and the Explosives Incidents System (EXIS), which incorporates information from Federal, state and local fire service and law enforcement personnel. These systems help identify persons who commit crimes of violence using arson or explosives by linking investigators who may be investigating similar incidents and disseminating case-specific information on a case-by-case basis.

FY 1999 Accomplishments and Results:

- Treasury continued joint efforts with Justice to coordinate a nationwide effort to identify and prosecute those who burn or damage houses of worship, resulting in the further decline of such attacks.
- ATF measures success in this area by tracking the number of National Response Team (NRT) activations and customer survey responses from state and local authorities who were supported by the NRT. The NRT includes special agents, explosives technicians, fire protection engineers, and forensic scientists who respond to major incidents within 24 hours of a request for assistance in large-scale fire and explosives scene investigations. Since its inception, the NRT has been activated 440 times to incidents involving the loss of over 500 lives, injuries to over 2,400 persons, and billions of dollars in property damage. In FY 1999, there were 42 NRT activations. Of the incidents in 1999 that were determined to be criminal, offenders have been identified in 50% of the cases. This is considerably higher than nationwide statistics for these types of offenses. In FY 2000, ATF plans on developing a performance measure to track customer satisfaction with the NRT responses to arson and explosives incidents, and introducing the measure in FY 2001.



Treasury Objective: Strengthen the Capability to Fight Terrorist Threats to the U.S.

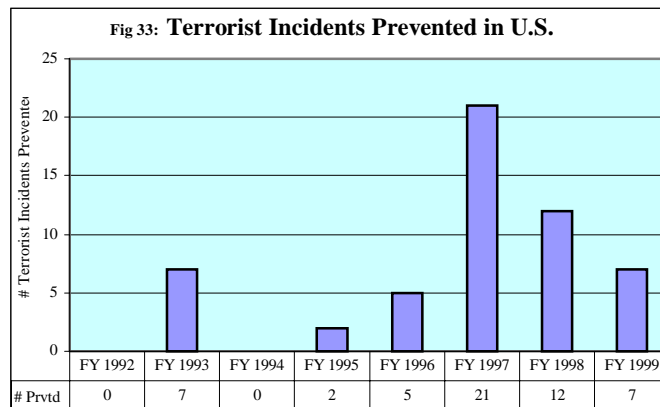
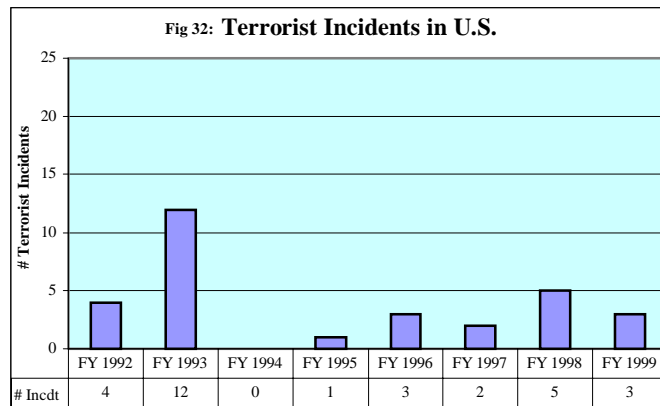
Key Trends:

Terrorism is the unlawful use of force or violence against persons or property to further political or social objectives. The number of terrorist incidents has declined since the early 1990s (see Fig. 32), but the number of documented instances in which violent acts by known or suspected terrorist groups or individuals were successfully interdicted through investigative activity has grown, especially in recent years (see Fig. 33).

Treasury Programs:

Treasury's law enforcement bureaus have various programs that support this strategic objective. For instance:

- The U.S. Customs Service (Customs)** provides security at U.S. borders directed at: 1) preventing the smuggling of Weapons of Mass Destruction (WMD - nuclear, radiological, chemical, and biological material), arms, and other instruments of terror into the U.S.; 2) preventing international terrorists from obtaining WMD materials and technology, arms, funds, and other support from sources in the U.S.; and 3) supporting designated National Special Security Events with aviation, marine, and other enforcement resources.
- The Bureau of Alcohol, Tobacco and Firearms (ATF)** provides substantive expertise and leadership for terrorist incidents involving bombings or arson. ATF's National Response Teams (NRT) are at the forefront in responding to major arson and explosive incidents through specialized investigative expertise and unique response capabilities. The Canine Explosives Detection Program provides training support to Federal, state, local and international law enforcement agencies in detecting explosive materials. ATF's forensic science laboratories provide expert support in the analysis of fire and explosive debris; ATF also has a mobile forensic lab, which travels to major explosive and arson incidents. The Bureau maintains a state-of-the-art National Repository of arson and explosive incidents, providing a capability to trace stolen and recovered explosives, as well as supplying investigative tools that may link related incidents.
- The U.S. Secret Service** provides expertise in the areas of identifying suspected or known terrorists and in identifying and neutralizing chemical and/or biological incidents. The Service plays a lead role in design, planning, and implementation of security operations at designated National Special Security Events. In that role, the Service provides the overall public safety coordination required to protect the event, its participants, and attendees from potential threats.



Department of the Treasury - FY 1999 Program Performance Report

In furtherance of this mission, the Secret Service employs many of its own resources toward specific facets of security for which it has established, over the years, a reputation of expertise. This expertise includes, but is not limited to: site and route surveys, access control, technical security, counter-sniper operations, and airspace security.

- The *Office of Foreign Assets Control (OFAC)* within the Office of the Under Secretary for Enforcement, administers economic sanctions against specific terrorist organizations (such as the Taliban in Afghanistan) and individuals Specially Designated as Terrorists (SDTs). An organization or individual may be designated as an SDT if they are deemed to assist in, sponsor, or provide support for terrorist acts of violence. SDTs also include persons or organizations determined to be controlled by or to act on behalf of any previously designated SDT. Under OFAC programs of Terrorism, U.S. persons are prohibited from dealing with Terrorist organizations that disrupt the Middle East peace process and individuals designated by OFAC, in consultation with the other U.S. Government agencies, as SDTs. Property and interest in property owned by those organizations and individuals is blocked and all transactions, including the making or receiving of any contribution of funds, goods, or services to or for their benefit are prohibited. As part of its consultation process with the Department of State, OFAC also provides extensive review of records pertaining to foreign terrorist organizations under the Antiterrorism and Effective Death Penalty Act of 1996.
- *The Federal Law Enforcement Training Center* provides state-of-the-art training to address various terrorist threats.

FY 1999 Accomplishments and Results:

Following is a report on the performance targets in Treasury's FY 1999 Performance Plan related to this objective:

Customs Service Performance Goal: *To identify, disrupt and dismantle criminal enterprises violating U.S. Laws, with particular emphasis on violations involving international trafficking in weapons, sensitive and controlled commodities, and stolen property; international terrorism; and violations of economic sanctions and embargoes.*

Outbound Licensing Violations	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	1,798	648	1,067

Explanation of Measure: This measure is a total of the following three items:

- The number of outbound munitions seizures (incidents not individual articles); for violation of the requirements contained in the International Traffic and Arms Regulations (ITAR), made by Customs officers.
- The number of seizures (not articles) made by Customs officers annually for violation of the Export Administration Regulations or the Export Commodity Control List requirements.
- The number of outbound seizures made annually by Customs officers to enforce a series of laws administered by the Treasury, Office of Foreign Assets Control.

Explanation of Shortfall: The FY 1999 target number of violations was exceeded. It should be noted that the FY 1999 final plan figure was less than the FY 1998 projected figure because the measure definition changed. The new measure contains only licensing violations; the FY 1998 figure includes technical violations.

Department of the Treasury - FY 1999 Program Performance Report

Customs Service Performance Goal: *To identify, disrupt and dismantle criminal enterprises violating U.S. Laws, with particular emphasis on violations involving international trafficking in weapons, sensitive and controlled commodities, and stolen property; international terrorism; and violations of economic sanctions and embargoes.*

Disruption of International Trafficking Activities	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	--	Qualitative Progress	See Below

Explanation of Measure: A narrative assessment of Customs effectiveness in disrupting international trafficking activities involving weapons of mass destruction, firearms, stolen property, and/or economic espionage. Disruption involves the interdiction of illicit export shipments of controlled materials, and investigations resulting in the arrest and presentation for prosecution of parties responsible for illicit trafficking violations.

Explanation of Actuals: During FY 1999, Customs played a significant role in the disruption of international trafficking activities, especially in the areas of export controlled materials which could be used by terrorist or identified terrorist nations. This activity included:

- An investigation into missile-related procurement by the People's Republic of China resulted in the indictment of 2 foreign nationals, as well as the indictment of 2 foreign companies, and the seizure of 7 fiber optic gyroscopes.
- A foreign national was sentenced to 60 months in prison for attempting to purchase and transfer stealth aircraft and anti-missile technology to China.
- Fines in excess of \$4 million were imposed against multiple companies for the illegal sale and subsequent transshipment of the Phalanx military weapon system to Pakistan.
- An attempted illegal export of military aircraft and missile parts to Iran was prevented, resulting in a 16 count indictment, 2 arrests, a \$750,000 criminal fine, and \$1.88 million in civil forfeiture.
- Illegal export of 20 night visions systems to Iraq, valued at \$178,000, resulted in one arrest and conviction, a 37 month incarceration, and a \$6,000 fine.

Department of the Treasury - FY 1999 Program Performance Report

Departmental Offices Performance Goal: Effective oversight of law enforcement bureaus.

Maximize Compliance with Sanctions Programs through Education and Awareness of the Public and Industry

**FY 1998
Actuals**

--

**FY 1999
Plan**

Qualitative
Progress

**FY 1999
Actuals**

See Below

Explanation of Measure: The success of the Office of Foreign Assets Control (OFAC) program depends largely on the awareness and education of the public and industry. A variety of systems and efforts are in place to accomplish that objective to include: a thorough and resourceful web page, articles and advertising in trade journals, a hot line, and training/seminars for specific groups.

Explanation of Actuals: OFAC compliance efforts to keep the public up to date about sanctions requirements and recent changes to sanctions policy and regulations resulted in over 50 system changes/uploads to the OFAC DO web page and to OFAC's "Fax on Demand" service, numerous revisions to program and industry brochures published by OFAC, and updates to OFAC's Specially Designated National list to incorporate new designations. In addition, OFAC upgraded its website to add a regulatory section, an optional blocked funds license request form, and copies of OFAC articles published in trade journals. The success of OFAC's website was reflected by the 768,289 visits registered during 1999. OFAC also conducted 65 seminars on sanctions compliance across the country to various industry groups. These efforts were critical in OFAC's implementation of its sanctions programs on terrorism and the Taliban during FY 1999. During FY 1999, designated 4 blocked persons under the Taliban program and blocked in excess of \$250 million under both programs.

Treasury Objective: Proactively Manage the Changing Nature of Threats by Developing, Acquiring, and Deploying Countermeasures**Key Trends:**

There are new challenges in today's complex world regarding the area of protection. Incidents over the past few years such as the Oklahoma City bombing and American Embassy bombings demonstrate the growing level of terrorist activity against U. S. interests in this country and throughout the world.

The protective threat facing the U.S. Secret Service has broadened to include groups operating outside of their own countries. These groups have access to more sophisticated weapons, operate 24 hours a day, and are using "front" organizations to finance their activities. They are indiscriminate in their use of violence and seek public attention for their actions. The low cost and diffusion of advanced technology and the proliferation of weapons of mass destruction (WMD) have further increased the dangers with which the Service must contend.

While the current threat is low for some of these new weaponry technologies, we anticipate the threat will grow throughout the first decade of the upcoming century.

Treasury Programs:

The ultimate mission of the Secret Service is to ensure the highest level of protection for persons authorized Secret Service protection. The Secret Service is internationally recognized for its expertise in accomplishing its protective mission. The Secret Service has continued to provide protection to permanent protectees and foreign dignitaries as well as designated facilities without negative consequences. Timely and accurate information learned from intelligence advances and protective intelligence cases has also contributed to reducing risks to our protectees.

In its effort to perform this mission, the Secret Service employs a variety of procedures to ensure the safety of its protectees. These procedures directly relate to the primary strategies that include the proactive use of technology and protective intelligence, and the effective use of resources based on risk assessment. To maintain effectiveness the Secret Service continually evaluates, modifies, and improves its policies and procedures.

The Secret Service must be proactive in its approach to dealing with these possible threats. In order to continue to provide a high quality of physical protection to our Nation's leaders and visiting heads of state, the Secret Service must invest in equipment and technologies that can detect these weapons better enabling the Secret Service to deter their use.

FY 1999 Accomplishments and Results:

Success of its protective mission is measured by determining if persons authorized protection arrive and depart safely to and from their destinations. The Secret Service performance goal for this measure is one hundred percent. The one hundred percent goal is the only acceptable goal. This goal was achieved during FY 1999.

The Secret Service measures protective workload in terms of travel stops. Travel stops illustrate the level of travel by our protectees. A stop is generally considered a city or other definable subdivision visited by a protectee. The level of effort required providing security increases dramatically when a protectee is traveling. During FY 1999, there were 5,723 total travel stops, a 12% increase over FY 1998. Additionally, the average length of travel increased 16%.

Department of the Treasury - FY 1999 Program Performance Report

Following is a report on the performance targets in Treasury's FY 1999 Performance Plan related to this objective:

Secret Service Performance Goals: *Ensure the physical protection of the President, the Vice President, visiting foreign dignitaries and other protectees; maintain an ongoing protective intelligence program to support risk assessment and the determination of protective requirements; maintain a secure environment at the White House/Treasury complex, foreign missions, and other Secret Service controlled sites.*

(Note: With the exception of "Protectee Arrives and Departs Safely," the measures below report on Secret Service workload. The FY 1999 plan figures represent workload estimates, not performance targets.)

Percentage of Travel Stops Where Protectee Arrives and Departs Safely	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	100%	100%	100%

Explanation of Measure: This measure reports the percentage of all travel stops for all Secret Service protectees where the protectee arrives and departs safely.

Total Travel Stops – Permanent Protectees, Foreign Dignitaries, and Candidate Nominees	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	5,131	4,900	5,723

Explanation of Workload Measure: This measures the level of travel by protectees of the Service. A stop is generally considered a city or other definable subdivision visited by a protectee.

Magnometers – Persons Processed (millions)	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	2.3	2.8	2.2

Explanation of Workload Measure: This measure reports the number of individuals screened through magnometers at sites where security is controlled by the Secret Service.

Protective Details	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	3,266	3,000	4,382

Explanation of Workload Measure: This measure represents the total number of special details provided by uniformed officers in support of physical protection.

Intelligence Advances Performed	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	3,997	3,300	3,056

Explanation of Workload Measure: Measures the number of protective intelligence advances performed in support of protectee travel. An intelligence advance is risk assessment work performed at the location to be visited by a protectee.

Department of the Treasury - FY 1999 Program Performance Report

Secret Service Performance Goals: *Ensure the physical protection of the President, the Vice President, visiting foreign dignitaries and other protectees; maintain an ongoing protective intelligence program to support risk assessment and the determination of protective requirements; maintain a secure environment at the White House/Treasury complex, foreign missions, and other Secret Service controlled sites.*

(Note: With the exception of "Protectee Arrives and Departs Safely," the measures below report on Secret Service workload. The FY 1999 plan figures represent workload estimates, not performance targets.)

Intelligence Cases Completed	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	8,499	8,500	6,577

Explanation of Workload Measure: Measures the number of intelligence cases performed by agents assigned to field operations. These cases generally involve making an assessment of individuals or groups who have threatened a protectee of the Secret Service.

Treasury Objective: Develop a Formal Risk Assessment-Based Decision-Making Process To Enhance Protective Capabilities**Treasury Programs:**

The U.S. Secret Service is responsible for the protection of the President of the United States, the President-elect, the Vice President or other officers next in line of succession to the Office of the President, the Vice President-elect, and members of their immediate families unless the members decline such protection; of the person of a visiting head-of-state/Government and accompanying spouse, and at the discretion of the President, other distinguished foreign visitors to the United States, and official representatives of the United States performing special missions abroad; of former Presidents, their spouse and minor children, unless such protection is declined.

FY 1999 Accomplishments and Results:

The Secret Service is currently in the first phase of developing a risk assessment and logistics system to support its protective program. The first phase of the system is expected to be operational prior to the start of the presidential campaign in August, 2000.

The Secret Service is implementing a combined operations logistical database (COLD), an Internet-based logistics system that shares a common repository of information and provides accessibility to this information to all employees involved with a protective event. The COLD will allow for sharing of information and assignment information in real-time that eliminates the need for constant phone calls and facsimiles between headquarters and the field. The COLD will be developed to include a risk assessment scoring system. Through protective intelligence networks, the Secret Service continually assesses potential threats to protectees and attempts to minimize these risks whenever possible. The COLD will ensure that all pertinent information will be available to Secret Service personnel working a protective site.

The COLD system will:

- Maintain and provide access to travel itineraries of Secret Service protectees;
- Maintain a list of available personnel for assignment to protective efforts;
- Assign personnel to protective efforts;
- Provide date of assignment, place of assignment, housing information and briefing information to personnel assigned to a protective effort;
- Store statistical information for each protective trip;
- Provide qualitative risk assessment and logistical reports; and
- Provide cost tracking for each protective trip.

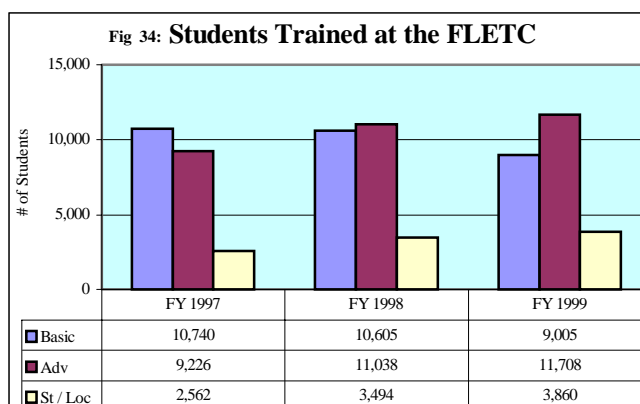
Measures to track COLD system performance will be developed when the system is operational. To date, only plan-of-action-and-milestone-type measures have been used to track its implementation.

Treasury Objective: Enhance Basic and In-Service Training Programs to Meet Changing Needs and Increasing Demands

Key Trends:

Between FY 1997 and FY 1999, the total number of students receiving advanced law enforcement training at the Federal Law Enforcement Training Center (FLETC) has increased 27% and the number of State and local law enforcement officers receiving training has increased 51% (see Fig. 34).

While there has been a decline in the number of students receiving basic training, the decrease can be attributed to shortfalls anticipated in hiring by the Border Patrol. In the next few years, the number of law enforcement officers requiring training is expected to increase due to Administration and Congressional initiatives to curb crime, especially in the areas of immigration, border security, drug control and interdiction, anti/counter-terrorism, and firearms enforcement.



Treasury Programs:

The mission of the FLETC is to provide training to participating Federal organizations by serving as an inter-Governmental training organization for Federal, state, local and international agencies. The FLETC accomplishes its mission by utilizing law enforcement and training experts, providing facilities, support services, and technical assistance, conducting law enforcement research and development, and sharing law enforcement technology. The FLETC also provides this training in a cost effective manner by fully developing the cost effective potential of consolidated Federal law enforcement training. The FLETC provides the facilities, equipment, and support services necessary for conducting both basic and advanced training for law enforcement personnel.

The voluntary affiliation of 73 agencies requires that the FLETC continually balance competing needs and demands among the participating organizations. The FLETC must also be flexible enough to respond to changes resulting from budget decisions, fluctuations in training demands, and variations in recruitment within the participating agencies.

FY 1999 Accomplishments and Results:

In FY 1999, in addition to meeting all basic training demands from participating agencies, 11,708 students received Advanced Training and 3,860 state and local law enforcement officers were trained at the FLETC facilities and at export training sites.

Department of the Treasury - FY 1999 Program Performance Report

Following is a report on the performance targets in Treasury's FY 1999 Performance Plan related to this objective:

<i>Federal Law Enforcement Training Center Performance Goal:</i> Achieve 80% on Student Quality of Training survey; conduct 100% of basic training requests; keep variable costs to \$146 per student week; and conduct 4 Personnel input forums.			
Achieve 80% Rating on Student Quality of Training survey	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	--	80%	99%
Explanation of Measure: Basic and advanced training program students are surveyed to obtain their views on the overall quality of training received. The scale is 0-100%. <i>Note: During FY 1998 this was measured on a scale from 1-6 and a weighted mean response was used to measure overall quality. In FY 1998, the actual rating was 5.9.</i>			
Conduct 100% of Basic Training Requests	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	100%	100%	100%
Explanation of Measure: The actual number of student-weeks trained divided by the number requested by the participating agencies, converted to a percentage.			
Variable Unit Cost per Basic Student-Week of Training	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	\$129	\$146	\$165
Explanation of Measure: The cost is calculated taking the actual expenses divided by the number of basic student-weeks trained. Explanation of Shortfall: Due to training projection reduction primarily with the U.S Border Patrol and a pilot "extended workday" schedule, the cost per student week increased in FY 1999. FLETC will try to correct the shortfall by improving the accuracy of training forecasts, developing "stand by" training modules to fill gaps, and improve the scheduling process. The pilot "extended workday" schedule has also been discontinued, which will reduce training costs.			
Number of Personnel Input Forums Conducted	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	9	4	18
Explanation of Measure: FLETC conducts periodic forums in which personnel can provide input on any topic affecting the Center's operation. The number conducted is compared to the number planned.			

Treasury Objective: Develop and Operate State-of-the-Art Facilities and Systems for Training**Treasury Programs:**

The Federal Law Enforcement Training Center (FLETC) began training students in 1970 with the mission of providing high quality law enforcement training programs in state-of-the-art facilities. In recent years, the FLETC has become recognized in the law enforcement community as the benchmark of excellence in law enforcement training. Since 1970, the number of Federal agencies who train at the FLETC has grown from 18 to 73.

Over the past several years, the FLETC has made a number of improvements in its facilities by introducing state-of-the-art firearms ranges and introducing facilities that provide realistic firearms training. The FLETC is also developing distributed learning capabilities, which will provide the ability to broadcast training programs to multiple sites.

In order to provide high quality training for law enforcement personnel, the FLETC has three strategic goals. The first is to develop, operate and maintain state-of-the-art facilities and systems that are responsive to inter-agency training needs. In addition, the FLETC's goal is to effectively organize, develop, and lead its personnel in support of the Center's mission. Finally, the FLETC continually looks to strengthen its partnership among the participating agencies. The FLETC also carries out research in the various aspects of law enforcement training.

The voluntary affiliation of 73 agencies requires that the FLETC continually balance competing needs and demands among the participating organizations. The FLETC must also be flexible enough to respond to changes resulting from budget decisions, fluctuations in training demands, and variations in recruitment within the participating agencies.

In order to ensure that the FLETC facilities are state-of-the-art and meet the needs of its customers, the FLETC conducts a Student Quality of Services survey. This survey assesses the quality, and assists the Center in the continuing review of the facilities and services that the FLETC provides the students who attend training, such as classrooms, dormitories, and dining facilities.

In addition to surveying its students, the FLETC continually reviews and revises the Facilities Master Plan to ensure the plan meets and is responsive to training requirements. The review takes into consideration the needs of the customers and the FLETC. The result will be the completion of a Comprehensive Development Plan that can be continuously revised and updated as changing requirements dictate.

Department of the Treasury - FY 1999 Program Performance Report

FY 1999 Accomplishments and Results:

Following is a report on the performance targets in Treasury's FY 1999 Performance Plan related to this objective:

<i>Federal Law Enforcement Training Center Performance Goal:</i> Achieve 80% on Student Quality of Training Survey and assess/modify Master Plan.			
Rating on Student Quality of Services Survey	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	--	80%	99%
<p>Explanation of Measure: Students in basic and advanced training programs complete surveys on the quality of administrative support services. The scale of the survey is 0-100%. <i>Note: During FY 1998 this was measured on a scale from 1-5 and a weighted mean response was used to measure overall quality. In FY 1998, the actual rating was 4.5.</i></p>			
Assess/Modify Master Plan Development Plan	FY 1998 Actuals	FY 1999 Plan	FY 1999 Actuals
	Initiated Plan	Finalize Plan	Not Met
<p>Explanation of Measure: The review will take in consideration the training needs of the customers and the FLETC. The end result will be the completion of a Comprehensive Development Plan that will be capable of being revised and changed as the requirements dictate.</p> <p>Explanation of Shortfall: In accordance with the requirements of the GPRA, the FLETC began a revision of its Strategic Plan to assess its mission and goals. This resulted in a delay in finalizing the Comprehensive Development Plan to allow time to reassess the needs of the FLETC's customers and the resources required to meet those needs, and to develop strategies to accomplish the FLETC's goals.</p>			